



University of  
Zurich <sup>UZH</sup>

Department of Economics

A wide-angle photograph of the Shanghai skyline across the water, featuring the Oriental Pearl Tower and various skyscrapers under a cloudy sky.

# Conference

## The Great Transformation of China: Real and Financial Factors

November 10, 2010

### Speakers

Chong-En Bai (Tsinghua U.)  
Chang-Tai Hsieh (Chicago GSB)  
Keyu Jin (London Sch. Ec.)  
Zheng Song (Fudan U.)  
Kjetil Storesletten (Fed. Reserve Bank)

Jo Van Biesebroeck (K.U. Leuven)  
John Van Reenen (London Sch. Ec.)  
Shang-Jin Wei (Columbia GSB)  
Dennis Yang (Ch. U. Hong Kong)  
Xiaodong Zhu (U. Toronto)

### Organised by:

Fabrizio Zilibotti, Chair of Macroeconomics and Political Economics  
with the support of the European Research Council and NCCR-Finrisk

**Time:** 8:30 – 18:00

**Venue:** KOL-G-217, University of Zurich, Rämistrasse 71, 8006 Zürich

**Registration (no fees):** [yikai.wang@iew.uzh.ch](mailto:yikai.wang@iew.uzh.ch)

Further Information: <http://www.iew.uzh.ch/chairs/zilibotti/ChinaConference.html>



**Chair of Macroeconomics and Political Economy (Prof. Dr. Fabrizio Zilibotti)**  
**Department of Economics**

---

**Schedule**

<b>Time</b>	<b>Speaker</b>	<b>Topic of Speech</b>
08:30-08:50		Coffee and Registration
08:50-09:00	Fabrizio Zilibotti (University of Zurich)	Welcome Speech
09:00-09:45	Shang-Jin Wei (Columbia GSB)	Seemingly Under-valued Currencies
09:45-10:30	Keyu Jin (London School of Econ.)	Comparative Advantage and Growth: An Accounting Approach
10:30-10:45		Coffee Break
10:45-11:10	Dennis Tao Yang (Chinese U. Hong Kong)	Accounting for Rising Wages in China
11:10-11:35	Zheng Song (Fudan University)	Life Cycle Earnings and the Rise in Household Saving in China
11:35-12:20	Kjetil Storesletten (Fed. Reserve Bank)	Chinese Pension Reform in the Face of Financial Imperfections
12:20-13:45		Lunch Break
13:45-14:30	Chong-En Bai (Tsinghua University)	Factor Income Distribution in China
14:30-15:15	Xiaodong Zhu (University of Toronto)	Misallocation of Capital Across Time: China's Investment Rate Puzzle
15:15-16:00	Jo Van Biesebroeck (K. U. Leuven)	WTO Accession and Firm-level Productivity in Chinese Manufacturing
16:00-16:30		Coffee Break
16:30-17:15	John van Reenen (London School of Econ.)	The Impact of China on Innovation
17:15-18:00	Chang-Tai Hsieh (Chicago Booth GSB)	A Global View of Productivity Growth in China and India

---

Room: KOL-G-217, University of Zurich, Rämistrasse 71, 8006 Zurich



## Short Bios

Speaker	Biography
Fabrizio Zilibotti	<p>Professor of Economics, University of Zurich. Ph.D London School of Economics, 1994. Co-winner of Yrjö Jahnsson Award, 2009. Principal Investigator of a ERC Advanced Research Grant on China's Economy. Managing Editor of the Journal of European Economic Association.</p> <p>Research Interests: Economic Growth, Political Economy, Macroeconomics, Financial Development, Chinese Economy.</p> <p>Selected Works: "Growing Like China." <i>The American Economic Review</i>, forthcoming. (with Zheng Song, Kjetil Storesletten) "The Unequal Effects of Liberalization: Evidence from Dismantling the License Raj in India." <i>The American Economic Review</i>, 98, 1397-1412. (with Philippe Aghion, Robin Burgess, Stephen J. Redding) "Occupational Choice and the Spirit of Capitalism." <i>The Quarterly Journal of Economics</i>, 123, 747-793. (with Matthias Doepke)</p>
Shang-Jin Wei	<p>Professor of Finance and Economics and N.T. Wang Professor of Chinese Business and Economy, Columbia University. Ph.D University of California, Berkeley, 1992.</p> <p>Research Interests: International Finance, Trade, Macroeconomics, Chinese Economy.</p> <p>Selected Works: "Tax Rates and Tax Evasion: Evidence from 'Missing Imports' in China." <i>Journal of Political Economy</i>, 112, 471-496. (with Raymond Fisman) "Domestic Institutions and the Bypass Effect of Financial Globalization." <i>American Economic Journal: Economic Policy</i>, forthcoming. (with Jiandong Ju) "Financial Globalization and Economic Policies." <i>Handbook of Development Economics</i>, 5, 4283-4362. (with Ayhan Kose, Kenneth Rogoff, Eswar Prasad)</p>



---

<p>Keyu Jin</p>	<p>Assistant Professor of Economics, London School of Economics. Ph.D Harvard University, 2009.</p> <p>Research Interest: International finance, Macroeconomics, Chinese Economy.</p> <p>Selective Works: "Composition and Growth Effects of the Current Account: A Synthesized Portfolio View." <i>Journal of International Economics</i>, 79, 31-41. (with Kai Guo) "Industrial Structure and Financial Capital Flows." Working Paper, London School of Economics. "International Business Cycles with Heterogeneous Sectors." Working Paper, London School of Economics.</p>
<p>Dennis Tao Yang</p>	<p>Professor of Economics, Chinese University of Hong Kong. Ph.D University of Chicago, 1994. Co-Director, Economic Research Center, Hong Kong Institute of Asia-Pacific Studies.</p> <p>Research Interests: Development and Growth, Labor and Demographic Economics, Chinese Economy.</p> <p>Selected Works: "The Great Leap Forward: Anatomy of a Central Planning Disaster." <i>Journal of Political Economy</i>, 113, 840-877. (with Wei Li) "Education and Allocative Efficiency: Household Income Growth during Rural Reforms in China." <i>Journal of Development Economics</i>, 74, 137-162. "Urban-biased Policies and Rising Income Inequality in China." <i>The American Economic Review</i>, 89, 306-310.</p>

---



---

<p>Zheng Song</p>	<p>Professor of Economics, Fudan University. Ph.D IIES, Stockholm University, 2005.</p> <p>Research Interests: Macroeconomics, Public Finance, Political Economy, Chinese Economy.</p> <p>Selective Works: "Growing like China." <i>The American Economic Review</i>, forthcoming. (with Kjetil Storesletten, Fabrizio Zilibotti) "Persistent Ideology and the Determination of Public Policies over Time." <i>International Economic Review</i>, forthcoming. "Financial Frictions on Capital Allocation: A Transmission Mechanism of TFP Fluctuations." Working Paper, Fudan University. (with Kaiji Chen, under 3<sup>rd</sup> revision at the Review of Economic Studies)</p>
<p>Kjetil Storesletten</p>	<p>Professor of Economics, University of Oslo. Senior Economist at Federal Reserve Bank of Minneapolis. Ph.D Carnegie Mellon University, 1995. Managing Editor of the Review of Economic Studies.</p> <p>Research Interests: Political Economy, Quantitative Macroeconomics, Financial Economics.</p> <p>Selective Works: "The Macroeconomic Implications of Rising Wage Inequality in the United States." <i>Journal of Political Economy</i>, forthcoming. (with Jonathan Heathcote, Giovanni Violante) "Growing Like China." <i>The American Economic Review</i>, forthcoming. (with Zheng Song, Fabrizio Zilibotti) "The Survival of the Welfare State." <i>The American Economic Review</i>, 93, 87-112. (with John Hassler, Jose Rodriguez Mora, Fabrizio Zilibotti)</p>

---



---

Chong-En Bai

Professor of Economics, Tsinghua University (Chair of the Department).

Ph.D Harvard University, 1993.

Associate Dean of Tsinghua University School of Economics and Management.

Research Interests:

Public Economics, Economics of Organization and Incentives, Corporate Governance, Development and Transition Economics, Industrial Economics, Chinese Economy.

Selected Works:

"The Multitask Theory of State Enterprise Reform: Empirical Evidence from China."

*The American Economic Review*, 96, 353-357. (with Jiangyong Lu, Zhigang Tao)

"The Return to Capital in China."

*Brookings Papers on Economic Activity*, 37, 61-102. (with Chang-Tai Hsieh, Yingyi Qian)

"Local Protectionism and Regional Specialization: Evidence from China's Industries."

*Journal of International Economics*, 63, 397-417. (with Zhigang Tao, Sarah Y. Tong)

---

Xiaodong Zhu

Professor of Economics, University of Toronto.

Ph.D University of Chicago, 1991.

Co-editor, *China Economic Review*.

Research Interests:

Growth and Development, Macroeconomics, Public Economics, Chinese Economy.

Selected Works:

"China's Banking Sector and Economic Growth."

in *China at Cross-Road*, 86-136. (with Loren Brandt)

"Redistribution in a Decentralized Economy: Growth and Inflation in Reform China."

*Journal of Political Economy*, 108, 422-439. (with Loren Brandt)

"Agriculture and Aggregate Productivity: A Quantitative Cross-Country Analysis."

*Journal of Monetary Economics*, 55, 234-250. (with Dennis Yang Tao, Diego Restuccia)

---



---

<p>Jo Van Biesebroeck</p>	<p>Associate Professor of Economics, K.U. Leuven.</p> <p>Ph.D Stanford University, 2001.</p> <p>Principal Investigator of a ERC Starting Research Grant on China's Economy.</p> <p>Research interests: Industrial Organization, International Trade, Productivity.</p> <p>Selective Works: "Productivity Dynamics with Technology Choice: An Application to Automobile Assembly." <i>Review of Economic Studies</i>, 70, 167-198.</p> <p>"Exporting Raises Productivity in Sub-Saharan African Manufacturing Firms." <i>Journal of International Economics</i>, 67, 373-391.</p> <p>"Trade Dynamics: Outsourcing Automotive Components to China." Working Paper, K.U. Leuven. (with Lijun Zhang)</p>
<p>John Van Reenen</p>	<p>Professor of Economics, London School of Economics.</p> <p>Ph.D University of College London, 1993.</p> <p>Director of Centre for Economic Performance, LSE.</p> <p>Co-winner of Yrjö Jahnsson Award, 2009.</p> <p>Research interests: Innovation, Productivity, Labor Economics, Public Policy and Competition Policy.</p> <p>Selected Works: "Measuring and Explaining Management Practices Across Firms and Countries." <i>The Quarterly Journal of Economics</i>, 122, 1351-1408. (with Nicholas Bloom)</p> <p>"Technology, Information, and the Decentralization of the Firm." <i>The Quarterly Journal of Economics</i>, 122, 1759-1799. (with Daron Acemoglu, Philippe Aghion, Claire Lelarge, Fabrizio Zilibotti)</p> <p>"Technology and Changes in Skill Structure: Evidence from Seven OECD Countries." <i>The Quarterly Journal of Economics</i>, 113, 1215-1244. (with Stephen Machin)</p>

---



---

Chang-Tai Hsieh

Professor of Economics, Booth School of Business, University of Chicago.

PhD University of California, Berkeley, 1998.

Research Interests:

Macroeconomics, Development, Chinese Economy.

Selective Works:

“Misallocation and Manufacturing TFP in China and India.”

*The Quarterly Journal of Economics*, 124, 1403-1448. (with Peter Klenow)

“Relative Prices and Relative Prosperity.”

*The American Economic Review*, 97, 562-585. (with Peter Klenow)

“What Explains the Industrial Revolution in East Asia? Evidence From the Factor Markets.”

*The American Economic Review*, 92, 502-526.

---